Northern District of California

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

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Plaintiff,

v.

EMPIRE TODAY, et al.,

Defendants.

Case No. 20-cv-9301-YGR

ORDER DENYING MOTION TO COMPEL ARBITRATION WITHOUT PREJUDICE; SETTING COMPLIANCE DEADLINE

Dkt. No. 10

Defendant Empire Today, LLC filed its motion to compel plaintiff to arbitrate claims and to dismiss action with prejudice on January 12, 2021. (Dkt. No. 10.) That motion came on regularly for hearing by videoconference on February 16, 2021.

Having carefully considered the briefing, evidence, and arguments of the parties, and for the reasons set forth on the record, the motion to compel arbitration is **DENIED WITHOUT PREJUDICE.** Under the applicable summary judgment-like standard, there is a material dispute of fact as to formation of the agreement to arbitrate on the current record. Three Valleys Municipal Water Dist. v. E.F. Hutton & Co., 925 F.2d 136, 1141 (9th Cir. 1991); Ackerberg v. Citicorp USA, Inc., 898 F. Supp. 2d 1172, 1175 (N.D. Cal. 2012). While the arguments raised by plaintiff regarding unconscionability and exemption from the FAA fail to persuade on the record before the Court, this decision does not reach those arguments due to defendant's failure to establish the existence of an agreement to arbitrate.

¹ The Court notes that plaintiff filed a separate set of objections to defendant's evidence, in violation of Civil Local Rule 7-3(a) ("Any evidentiary and procedural objections to the motion must be contained within the brief or memorandum.") The Court has not considered this additional document. However, the essence of those objections was raised in the course of the parties' briefing and arguments and sufficiently addressed by the evidence submitted on reply.

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United States District Court

The parties are granted leave to take **limited** discovery on the issue of contract formation only.

Bearing in mind that the existence of disputed material facts will preclude a decision under the motion to compel standard, no later than **May 28, 2021**, either: (1) defendant shall file a renewed motion to compel arbitration; or (2) the parties shall file a joint statement regarding how they wish to proceed. *See* 9 U.S.C. § 4 (the court is to proceed summarily to a trial of the dispute as to formation of the agreement). The Court **SETS** a compliance deadline of **June 4, 2021**, regarding the above filing.

This terminates Docket No. 10.

IT IS SO ORDERED.

Dated: February 17, 2021

YVONNE GONZALEZ ROGERS UNITED STATES DISTRICT JUDGE